

Small Business Advisory Council Meeting

FINAL MINUTES

March 3, 2015

Call to order: Co-Chair Aubry Stone called the meeting to order at 1:01 p.m.

Attendance: The meeting was attended by the following SBC members: Aubry Stone, Cecelia McCloy, Paul Guerrero, Julian Canete, Jerry Bircher, Savita Farooqui, Debra Roak, Marty Keller, Justin Adams, Douglas Eldridge and Brenda Quintana (for the Latin Business Association).

The following SBC members attended via webinar: Stephen Simpson, Don Stoneham, Amanda Quarry, Evelyn Graham, and Valerie Miles.

The following SBC members were absent: Lee Cunningham, Patricia Castillo Linn, Sandy Cajias, Stacey Heater Divine, Scott Hauge, James Brady, and Alice Perez.

The following DGS representatives were in attendance: Alternate Chair Angel Carrera, Tonia Burgess, Tasha Nomura-Stewart, Danetta Jackson, Emma Cardenas, Anthony Lewis, Tanya Little, Brittany Heth-Tran, Cathy Lorenzo, Chuck Deyoe, Cathy Lorenzo, Robert Ullrey, Terri Ashley, Anda Draghici, and Angel Hood.

Special guests included: DGS Acting Director Esteban Almanza, Susan Bransen (California Transportation Commission), Christopher Kim (Department of Industrial Relations), Jeremy McClain (Department of Industrial Relations), Angel Shell (Department of Transportation), Roger Anderson (Fi\$Cal), and Susan Sudmann (Fi\$Cal)

Welcome and Introductions

Co-Chair Aubry Stone thanked everyone who was able to attend the meeting in person and by webinar. He then discussed the morning's Ad Hoc meeting regarding assisting DGS with their future Agency Visits. Mr. Stone stated the next Ad Hoc meeting would be held on Tuesday, April 7, 2015 at 10:30 am at the DGS.

Acting Director Remarks

Acting Director Esteban Almanza thanked the Council for inviting him to the meeting. He explained he would continue to provide direction and ensure DGS strives to improve efficiency, and effectiveness as it carries out the department's responsibilities and obligations that relate to SBs and DVBEs in state contracting.

Mr. Almanza stated it was critical for the state to make new partnerships with the business community.

Approval of December 10, 2014 Meeting Minutes

Co-Chair Aubry Stone asked for a motion to approve the December 10, 2014 meeting minutes. Council member Debra Roak made the motion. Council member Jerry Bircher second. Motion carried.

Consolidated Annual Report

Alternate Chair Angel Carrera introduced Brittney Heth-Tran to present information regarding the FY 2013-14 Consolidated Annual Report (CAR), which discussed the state's SB/DVBE participation numbers. Ms. Heth-Tran stated the participation numbers had increased since the previous fiscal year. Five departments, who received guidance from DGS Outreach staff, vastly improved their small business and DVBE participation numbers. One department exceeded their participation goal for small business.

Council member Marty Keller asked whether there was a best practice that DGS used to obtain their 41% small business participation. DGS staff Tanya Little stated all the department's purchasing had been consolidated into one division and use of the DGS First Policy.

Status of Meetings with other SB/DVBE Councils

Alternate Chair Angel Carrera stated Council Co-Chair Jim Butler was not able to attend due to an unexpected negotiation meeting. Mr. Carrera stated based on an action item generated from the December 2014 Council meeting, Mr. Butler needed more clarification on what the Council would like him to take action on.

Mr. Carrera also stated that Mr. Butler had reached out to three councils and received minimal support. Council member Paul Guerrero asked for clarification if it was to be a joint meeting of the councils or chairs of the councils. Mr. Guerrero suggested a joint meeting of the council would be beneficial. Council member Marty Keller stated that a lot of things discussed at Calvet's DVBE council were similar to those discussed at the SBC.

California Transportation Commission – Road User Charge Initiative

Susan Bransen, Assistant Director for the California Transportation Commission, presented an overview of Senate Bill 1077 – Road Usage Charge Pilot Program. A copy of her presentation could be found at:
<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/CTCPresentation030315.pdf>.
A handout was also provided, which could be found at:
www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/CTCHandout030315.pdf.

Council member Jerry Bircher asked what an individual person would be expected to pay. Ms. Bransen stated she did not have the figures as it was a conceptual pilot

program that would be revenue neutral, as the point would be to not generate revenue. Council member Paul Guerrero asked whether Arizona and Texas were going to be part of the consortium as they seem to take away a lot of California's business.

Fi\$Cal Update

Roger Anderson, Resource Manager for the Financial System for the State of California (Fi\$Cal) provided an update regarding the project. Susan Sudmann, Business Team Manager, also accompanied Mr. Anderson. A copy of their presentation could be found at: <http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/Fiscal030315.pdf>.

Council member Paul Guerrero asked whether SB 854 had been implemented into Fi\$Cal. Mr. Anderson said no, but he would check on that and provide information to the Council. Council member Jerry Bircher asked if a business was already registered in Fi\$Cal would they have to re-register. Mr. Anderson stated no, they would not need to re-register. Ms. Sudmann stated there was nothing for small businesses to do right now until July 2015.

Mr. Anderson stated if anyone on the council had any questions regarding the project, to email: fiscal.cmo@fiscal.ca.gov

Department of Industrial Relations – SB 854 Update

Jerry McClain, Deputy Director for the Department of Industrial Relations (DIR) and Christopher Kim provided an update regarding SB 854 and how it was impacting the Department of Industrial Relations. A copy of their presentation could be found at: <http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/DIRPresentation030315.pdf>.

Council member Paul Guerrero asked who does the design build for Public Works. DGS staff Robert Ullrey stated DGS could ask someone from the Real Estate Services Division (RESA) to discuss the design build process from the State perspective. DGS staff, Tanya Little, asked whether DIR had reached out to people at the local level. Mr. Kim stated yes, since July 2014 to try to get understanding and transparency.

Department of Transportation – Data Report

Angela Shell, Assistant Director for the Department of Transportation provided information regarding Caltrans' Data Report. A copy of their presentation could be found at: <http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/CaltransPresentation030315.pdf>.

Ms. Shell stated all their generated reports were posted on Caltrans' web site. She also explained that Caltrans was able to track SB/DVBE utilization plans. Council member Paul Guerrero asked whether Proposition 2926 was being implemented on the federal side of their department. Ms. Shell explained that set asides were currently an issue.

Mr Guerrero then asked if Ms. Shell could provide him with a copy of their local assistance report, which reported on money allocated to cities and counties in California. He explained he was not able to find the report on the department's website.

Alternate Chair Angel Carrera asked how Caltrans planned to increase their DVBE participation. Ms. Shell stated their department did not have any new DVBEs performing on any of their projects and they were now looking at the categories they have on their contracts and what they can do subcontracting wise.

Mr. Guerrero suggested that Caltrans bring back training for small businesses on how to put a bid together for Caltrans specialized contracts, as they seem to be complicated.

Legislative Update

DGS staff, Chuck Deyoe provided a legislative update. To view the list of current bills discussed, go to:

<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/LegislativeUpdate030315.pdf>

Council member Paul Guerrero asked about bills dealing with small businesses and people coming in saying that business does not comply with the Disability Act. Mr. Deyoe state he had not seen the bills but would look into it.

Mr. Deyoe closed by stating if any members had any questions, comments and/or concerns to forward them to: Charles.deyoe@dgs.ca.gov.

PD Contract Update

DGS staff, Cathy Lorenzo discussed the current PD Upcoming Solicitations, which could be found at:

<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/UpcomingSolicitations030315.pdf>.

She updated that the paper bags and lightweight truck solicitation would roll out on March 6, 2015; the Pesticides and Wood Post would roll out in April. Council Co-Chair Aubry Stone asked whether contracts under \$250,000 could be reviewed at next Small Business Council. Alternate Chair Angel Carrera stated most contracts under \$250,000 were not commonly advertised as those contracts often use the SB/DVBE Option and do not require advertising. However, Ms. Lorenzo stated DGS' One-Time Acquisitions may have some contracts they could present on at the June 2015 meeting.

Review of Action Items

The following items would be addressed at the next SBC meeting on June 11, 2015:

- Jim Butler to schedule meeting with other SB/DVBE Councils based on clarification received

- Fi\$Cal to provide update regarding implementation of SB 854
- RESD to present on Design Build Process for the State
- Chuck Deyoe to look into bills regarding SB and the Disability Act
- Chuck Deyoe to provide a monthly legislative update
- One-Time Acquisitions to present on contract under \$250,000

Public Comment

N/A

Co-Chair Aubry Stone adjourned the meeting at 3:23 p.m.